weekly economic review

April 17, 2014

Manufacturing Shipments

Consistently strong growth

Alberta firms shipped $6.5 billion worth of manufactured goods in February, unchanged from January. Shipments rose 5.9% over the same month last year, the 10th straight month of positive year-over-year (y/y) growth. Growth was fuelled by shipments of non-durable goods, particularly petroleum and coal products (+16.7%) and chemical products (+9.8%). Among durable good shipments, machinery products were up 10.6% over a year ago, the 10th consecutive month of double digit growth.

Consumer Price Index (CPI)

Energy prices fuel Alberta inflation

Consumer prices in Alberta rose at the fastest rate in over five years, up 3.9% in March compared with a year ago. The higher inflation was the result of a surge in natural gas prices which were up 81.5%, the largest year-over-year increase in over 10 years. The surge in natural gas prices was brought on by an exceptionally cold winter throughout much of North America and the effect on CPI is likely to be temporary. Excluding energy, inflation was 2.5% in March.

Canada's CPI was more subdued, up only 1.5% y/y but higher than the increase in February 2014 of 1.1% y/y.

Job Vacancies

At a low, easing shortage fears.

Alberta's job vacancy rate, averaged 2.2% between November and January, the lowest since Statistics Canada began tracking vacancies in March 2011. The average number of vacant positions between November and January was 43,300, an 8.0% drop from the same three month period a year ago. Canada's job vacancy rate was also at a low of 1.3%.

Non-Residential Construction Investment

Growth from all sectors

Compared with a year ago, real investment in non-residential building construction rose 8.5% in the first quarter of 2014 with impressive growth from institutional (+20.7%), industrial (+6.2%) and commercial (+6.7%) investment. Commercial investment is closing in on the all-time high set in 2008. Nationally, investment was relatively flat (+0.7%).

Resale Housing Market

Let the sales begin

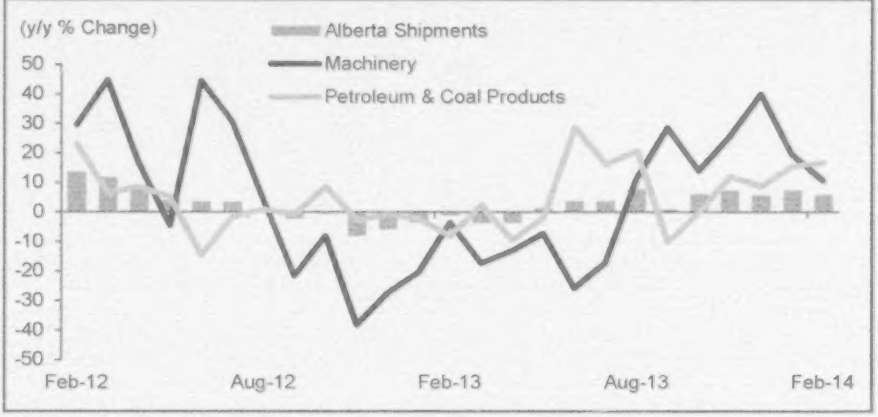
In Alberta, the number of existing homes sold in March was the highest in 6 years and 12.0% higher than March 2013. Alberta's new listings were also up from March 2013, rising 3.2% y/y. The sales-to-new listings ratio in Alberta was 0.66, staying in the seller's market, while Canada (0.53) remains a balanced market.

New Motor Vehicle Sales

Sales starting to decline

In February, 16,679 new motor vehicles were sold in Alberta, down 5.5% from the same month last year. Nationally, the number of new motor vehicle sales were up 1.6% y/y to 107,501 unit sales.

Manufacturing Shipments



Source: Statistics Canada

Closing Price	April 10, 2014	April 16, 2014	2014-15 Fiscal YTD
Canadian Dollar (US¢/$CAN)	91.64	90.68	91.10
WTI Oil ($US/bbl)	103.40	103.76	102.17
NYMEX Natural Gas($US/MMBtu)	4.66	4.53	4.49

Contact:

Erin Bartmanovich 780.427.8814

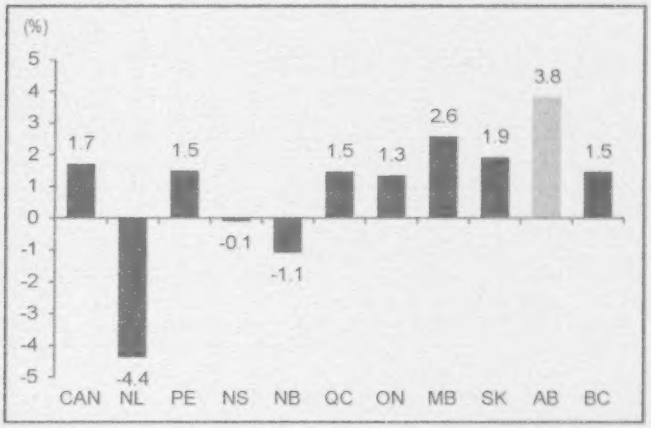
Alberta Economic Indicators

Population[1]	2012	2013	2014YTD	Oct	Nov	Dec	Jan	Feb	Mar
Population (000's)	3,889	4,025	4,083	4,061	..	..	4,083	..	..
y/y % change	2.6	3.5	3.4	3.5	..	..	3.4	..	..
Net Interprovincial Migration	27,652	52,677	15,932	10,269	..	..	5,663	..	..
Net International Migration	40,842	52,551	25,185	16,436	..	..	8,749	..	..
Net Non-permanent Residents	10,085	19,560	9,274	8,213	..	..	1,061	..	..
Labour Market									
Employment (000's), SA	2,150	2,211	2,256	2,235	2,246	2,237	2,243	2,262	2,261
y/y % change	2.7	2.9	3.7	3.5	3.5	3.1	3.2	3.8	4.0
Unemployment Rate (%), SA	4.6	4.6	4.6	4.5	4.7	4.8	4.6	4.3	4.9
Participation Rate (%), SA	73.4	73.1	73.1	73.0	73.3	72.9	72.8	73.1	73.3
Average Weekly Earnings ($), SA	1,070.31	1,107.75	1,134	1,123	1130.1	1146.5	1,134	..	..
y/y % change	3.5	3.5	5.1	3.6	4.1	4.7	5.1	..	..
Price Indices									
NEW! Consumer Price Index (y/y % change)	1.1	1.4	3.0	1.0	1.7	2.1	2.7	2.4	3.9
Excluding food and energy	1.4	1.4	2.2	1.6	1.5	1.9	2.1	2.3	2.3
Non-Res. Building Cons. Price Index[2] (y/y % change)	3.8	1.2	..	..	..	1.3	..	..	..
Farm Product Price Index (y/y % change)	6.8	4.5	..	-0.9	-4.4	-5.4	..	..	..
Crops	8.0	4.3	..	-10.1	-12.3	-16.1	..	..	..
Livestock	5.7	4.5	..	9.0	5.3	5.5	..	..	..
Household Sector									
Housing Starts (SAAR, 000's)	33.4	36.0	38.3	38.2	43.9	36.2	39.3	35.7	39.9
y/y % change	29.9	7.8	16.8	14.4	9.6	18.6	29.5	4.5	17.9
New Housing Price Index[3] (y/y % change)	1.3	2.8	3.2	3.0	3.1	2.9	3.2	3.3	..
Edmonton	0.9	0.4	-0.2	0.3	0.0	-0.2	-0.2	-0.1	..
Calgary	1.7	5.3	6.9	6.1	6.5	6.1	7.0	6.9	..
NEW! MLS Average Resale Prices ($ 000's)	362.0	380.2	399.9	381.5	388.6	389.7	399.6	401.0	399.1
y/y % change	2.6	5.0	6.7	3.9	5.3	4.7	7.9	6.5	5.6
Edmonton ($ 000's)	332.7	343.8	357.5	339.2	347.2	356.9	356.5	360.7	356.3
y/y % change	2.6	3.3	5.4	1.4	2.5	5.3	6.7	5.8	3.8
Calgary ($ 000's)	410.8	436.6	455.6	439.8	449.3	449.5	456.4	455.3	455.3
y/y % change	2.2	6.3	5.0	4.2	7.7	4.5	5.9	4.5	4.7
Retail Sales, SA (y/y % change)	6.9	6.6	9.8	6.8	7.2	7.8	9.8	..	..
New Motor Vehicle Unit Sales (y/y % change)	10.5	6.2	3.7	6.5	5.3	7.9	1.8	-5.5	..
Consumer Bankruptcies	5759	4689	336	383	323	284	336	..	..
y/y % change	-18.1	-18.6	-24.7	-21.7	-23.1	-17.9	-24.7	..	..
Business Sector									
Rigs Drilling	250	235	368	239	233	259	392	403	307
y/y % change	12.6	-5.9	0.7	1.0	-9.8	-9.9	6.7	-4.4	0.4
Goods Exports, customs based (y/y % change)	2.8	8.2	9.9	18.6	14.0	19.0	12.4	7.1	..
Energy	3.6	11.2	12.2	25.6	18.2	27.9	15.4	8.7	..
Farm, Fishing and Intermediate Food	20.6	8.3	-9.2	-14.4	3.6	-18.1	-6.3	-12.0	..
Farm Cash Receipts (quarterly, y/y % change)	15.8	2.1 YTD	..	..	..	..	..	..	..
NEW! Manufacturing Shipments, SA (y/y % change)	3.4	1.9	6.6	6.0	7.4	5.7	7.4	5.9	..
Wholesale Trade, SA (y/y % change)	10.8	2.1	3.9	5.1	1.5	0.9	3.9	..	..
Building Permits, SA (y/y % change)	14.8	17.7	10.6	24.7	-6.9	10.7	40.9	-14.8	..
Residential	18.2	19.0	27.8	39.1	15.6	23.3	50.8	5.2	..
Non-residential	10.7	16.1	-11.8	-5.5	-29.7	-4.4	24.9	-36.6	..
Business Bankruptcies	230	137	7	15	8	14	7	..	..
y/y % change	12.9	-40.4	-30.0	16.7	-46.7	-12.5	-30.0	..	..

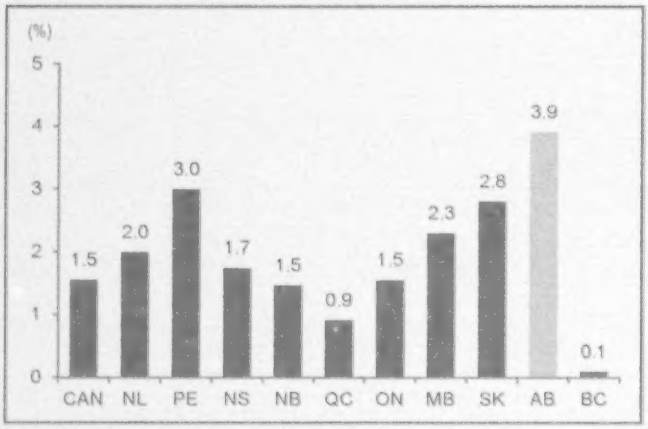
1 Quarterly, annual numbers are presented on a census year basis (July 1—June 30)
2 Quarterly, average of Calgary and Edmonton
3 Average of Calgary and Edmonton
YTD (year-to-date) represents the change since the beginning of the year compared to the same period in the previous year. "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.
p denotes a preliminary annual number.
Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy Canada).
All historical data are subject to revision.

Economic Indicators by Province

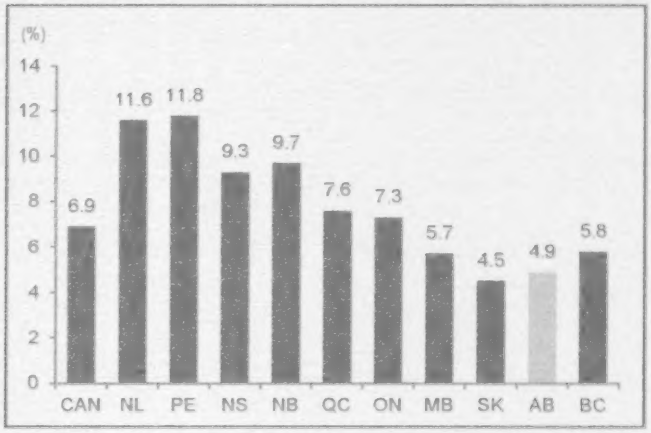
Real GDP at Market Prices
(2012, year-over-year growth)



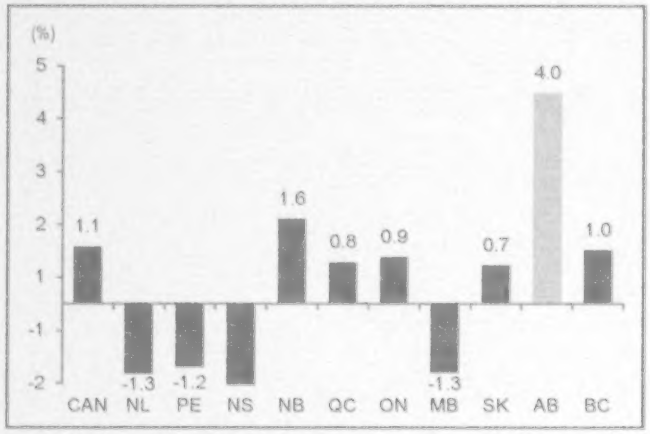
CPI Inflation
(March 2014, year-over-year growth)



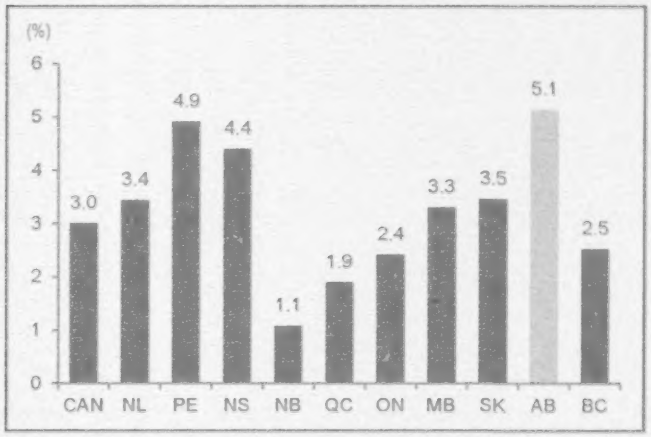
Unemployment Rate
(March 2014)



Employment
(March 2014, year-over-year growth)



Average Weekly Earnings
(January 2014, year-over-year growth)



Housing Starts
(March 2014, SAAR, year-over-year growth)